

# **MARYLAND HEALTH CARE COMMISSION**

## ***UPDATE OF ACTIVITIES***

**January 2006**

### **DATA SYSTEMS & ANALYSIS**

#### **Maryland Trauma Physician Services Fund**

Division staff recently met with trauma practice managers at the Robinwood Medical Center in Hagerstown. The meeting was aimed at reviewing best practices related to billing the Trauma Fund (Fund). Staff also reviewed key information from MHCC's Trauma Fund Annual Report to the Maryland General Assembly. During the meeting, staff demonstrated the Trauma Fund Calculator (calculator), a tool developed by staff to assist physician practices in submitting electronic uncompensated care applications to the Fund. Several practice managers expressed an interest in using the calculator to help them prepare their application for the January 2006 application cycle.

MHCC disbursed \$194,255.80 to the Medical Assistance Administration (Medicaid) for services provided from June through October 2005. These Fund payments reflect services reimbursed by traditional Medicaid and do not include funds paid by Medicaid managed care organizations (MCOs). The Fund reimburses Medicaid for fifty percent of the difference paid between the Medicare and the Medicaid rate, with the federal government paying the remaining fifty percent.

Clifton Gunderson, LLC, the Fund's auditor contacted eleven practices that submitted an uncompensated care application in Period 1 2005. Site visits have been scheduled for these practices during the month of January. Findings from the site review are expected to be issued in early February.

#### **Data Base and Software Development**

##### **Medical Care Data Base**

Staff notified the 33 payers required to submit encounter level data, in compliance with COMAR 10.25.06, *Maryland Medical Care Data Base and Data Collection*. The notification letters alert payers to the addition of new data fields for reporting: patient enrollment start and end dates, and employer identifier.

Last month, the Medical Care Data Base contract vendor, Social and Scientific Systems provided staff with Payer Data Discrepancy Reports from the 2005 data submission. Staff uses these reports to identify payer quality reporting issues. Over the next couple of months, staff plans to review these reports with payers in an effort to boost reporting quality for the 2006 data submission cycle.

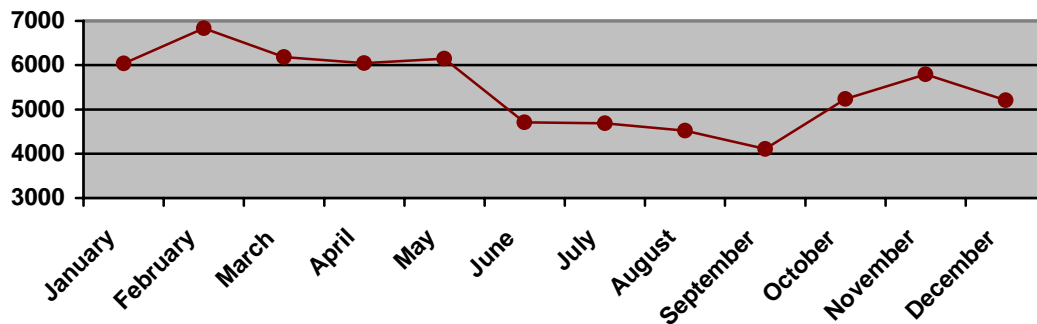
##### **Assisted Living Profile**

Staff is planning to release an update of the Assisted Living Profile, which contains information on characteristics and utilization of approximately 300 Assisted Living Facilities. Staff hopes to include information on Assisted Living facility deficiencies that have been collected by the Office of Health Care Quality.

### Use of Consumer Sites Continued to Increase in November

The Commission's website had 10,732 visits during December. About 49 percent of the visits (5,209) were to the consumer quality and utilization sites for HMOs, hospitals, nursing homes, and ambulatory surgery centers. Total visits to the quality sites were down about 500 visits from November. All the sites saw decreased utilization in December, suggesting that use of the sites follows a seasonal pattern. The hospital and nursing home sites saw the smallest decline. The hospital site, with over 3,200 visits, remains the most popular site. The month-to-month trend in use of consumer sites is shown in Figure 1 below for calendar year 2005.

Figure 1 -- Use of MHCC Consumer Sites: HMO, Hospital, Nursing Home, Assisted Living, and Ambulatory Surgery in 2005



### Cost and Quality Analysis

#### State Health Expenditure Accounts

The Commission is releasing the report, *State Health Care Expenditures: Experience from 2004* at the January Commission meeting. By releasing the report, the MHCC meets its mandate to report on the state's total reimbursement for health care services in accordance with health care reform legislation passed in 1993.

### EDI Programs and Payer Compliance

#### HIPAA Awareness

MHCC's HIPAA education and awareness initiatives continued throughout December. MHCC is considered by many as an established source for HIPAA related information. Division staff provide HIPAA related assistance to payers, providers, and health care facilities. Over the last month, staff received approximately twelve inquiries from providers requesting support information on HIPAA.

#### EHN Certification & E-Scripting Initiative

Staff completed the MHCC recertification review of RealMed. This is the third two-year period that RealMed has met the requirements for MHCC certification. Staff uses the Electronic Healthcare Network Accreditation Commission's (EHNAC) site review report and the EHN's self-assessments material to complete its review process. Staff expects to present this network to the Commission for approval at the January Commission meeting. Staff continued to provide

support to NaviMedix, a national network based in Massachusetts, in finalizing its MHCC certification application.

Last month, staff began contacting payers doing business in Maryland to obtain e-prescribing network contact information for their Pharmacy Benefit Managers (PBMs). Staff plans to contact e-prescribing networks over the next several months to assess interest in obtaining MHCC certification. Last year, MHCC worked with EHNAC to expand its accreditation program to include e-prescribing networks.

Staff continued to work with payers and EHNs regarding modifications to COMAR 10.25.07, *Electronic Health Network Certification* during the past month. Staff has been working with stakeholders to develop proposed modifications to the regulation. A final version of the proposed regulation is expected to be completed in February.

### **Technology Initiatives**

Last month, staff explored various contracting options for a Clinical Data Sharing Utility Planning Grant Request for Proposal (RFP). MHCC, in partnership with the Health Services Cost Review Commission (HSCRC) are developing an RFP that demonstrates that clinical information from disparate sources can be successfully exchanged through a clinical data sharing utility. Staff plans to meet with representatives from the Department of Budget and Management in January to review contracting options.

Staff sent welcome letters to members of the *Task Force to Study Electronic Health Records*. The letter contained information on the type of work the task force is expected to undertake over the next two years, a first meeting agenda, and a list of participants. The first meeting of the task force is scheduled for January 18<sup>th</sup> at MHCC. The task force is required to study electronic health records and the current and potential expansion of electronic health record utilization in the state.

### **Institutional Review Board**

Staff received requests from Cohen, Rutherford & Knight, Holy Cross Hospital, and Kaiser Permanente seeking data from the DC Hospital Discharge Data Base. All three organizations received a limited data set that conformed to HIPAA requirements and state policies. Dr. George Avery, health care economist at Indiana University, has informed staff that he will request approval to use the MCDB under an Agency for Health Care Research and Quality (AHRQ) grant. Staff provided information on the data base and a letter for Dr. Avery to use in his grant application. IRB approval is required before the data will be released.

## **PERFORMANCE AND BENEFITS**

### **Benefits and Analysis**

#### **Small Group Market**

##### **Comprehensive Standard Health Benefit Plan (CSHBP)**

At the December meeting, the Commission approved additional changes to the CSHBP as well as the draft regulations. These changes will be implemented effective July 1, 2006.

#### **Annual Mandated Health Insurance Services Evaluation**

Mercer drafted this year's annual review of proposed mandates (as required under §15-1501 of the Insurance Article). This year's analysis contains a review of three proposed mandates. The Commission will be asked to approve the mandate report for submission to the Legislature.

## **Special Projects**

The division continued to make progress on the Internal Self Evaluation and Revalidation Initiative. Many of the initiative activities assigned to internal staff are nearing completion. These activities include documentation of content areas for each performance guide; mapping of each process for each guide to collect analyze and prepare materials for uploading to the website; and gathering information for cost justification and analysis of visits to the different sites.

Another major expenditure of time devoted to the Revalidation Initiative revolved around the best way to secure citizen input from both users and non-users of the guides. To accomplish broad citizen input, preparation of materials for execution of an RFP to be used for a competitive procurement or interagency agreement for focus group facilitation was started. Steps were taken to identify an academic institution with expertise in this area and exploratory discussions have begun to determine if this agency can provide the services MHCC seeks.

A print-ready version of *The Final Report on the Study of the Affordability of Health Insurance in Maryland* was completed following Commission approval at the December meeting. The procurement process for production of bound copies for delivery to the legislature was completed.

Commission staff was briefed by The Maryland Patient Safety Center (MPSC) leadership about center accomplishments and plans for the coming year. The first Safety Culture Collaborative initiated by the Center focused on elimination of preventable blood stream infection and ventilator associated pneumonia in Intensive care Units (ICUs). Final results are still being collected, but preliminary analysis shows that five hospitals achieved zero ventilator associated pneumonia episodes and 10 hospitals achieved zero preventable blood stream infections. A total of 52 intensive care units from 37 hospitals participated in the ICU Collaborative.

The Maryland Patient Safety Center conceptual model was recognized with the John M. Eisenberg Patient Safety and Quality Award. This national recognition is a joint effort of two quality organizations, the National Quality Forum (NQF) and the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). The MPSC innovative and comprehensive approach, which includes public/private partnerships, broad stakeholder guidance, voluntary effort and a focus on improvement, was cited as a model for other states to emulate.

The Maryland Patient Safety Center was conceived by the Maryland Health Care Commission in response to the Maryland General Assembly's Patients' Safety Act of 2001.

## **Facility Quality and Performance**

### **Hospital Performance**

Delmarva staff provided an overview of the changes that have been made in the Hospital Guide. In addition to scheduled updates in performance data (calendar year 2004 volume, average length of stay, and re-admission rates) of major DRG (Diagnosis Related Group) categories, the changes will feature new performance categories (Heart, Lung, Surgeries, Maternal & New Borns). Key Quality Measure categories (i.e., Acute Myocardial Infarction [AMI] Heart Failure [HF] and Pneumonia [PN]) will also be updated to reflect First and Second Quarter 2005 and multi-year trend data. In addition, the Guide will be revised so that both former topics (obstetrics [OB] services, hospital resources, and technical information) and new topics (Best Practices for AMI, HF, and PN, Patient Safety Tips, Comparison Reports, Navigation Tutorials, etc) are all organized and tailored to each of the three designated priority audiences (patients, practitioners,

and hospital leaders). There have also been enhancements made in the Guide's graphics as well as its navigation performance.

While the formal unveiling of the Guide is scheduled for a press conference on February 17, 2006, previews of the new Guide will be conducted for both the Hospital Guide Steering Committee (on January 17th) and the Maryland Hospital Association (date and time as yet undetermined). The Press Conference will be held at the Commission's offices.

### **Nursing Home Performance**

Division staff met with key staff from the Health Facilities Association of Maryland (HFAM) to discuss and clarify organizational goals, objectives, priorities and directions. The intent and status of MHCC's reporting of nursing home performance was a focal point of the meeting. Staff reviewed the purpose, principles, and status of the Family Satisfaction Survey project and re-confirmed MHCC's commitment to work with the nursing homes in the development of strategies that enable the Commission to fulfill its monitoring and reporting mandate for nursing home performance.

Components of the results of the Family Satisfaction Survey were received by division staff in December from the contractor (Market Decisions). Staff are in the process of reviewing the documents for content and appropriateness. An initial mailing of approximately 20,000 was conducted in September. More than 8,700 surveys were returned and classified as acceptable for analysis. A subsequent mailing of 12,000 surveys (to 1<sup>st</sup> mailing non-responders) was conducted in late October. The final reports are scheduled to be available from the contractor in February 2006. The contractor is also scheduled to conduct second training session in February with representatives from the nursing homes in Maryland to discuss the results of the reports.

### **HMO Quality and Performance**

#### **January 2006 HMO Quality and Performance**

#### **Distribution of 2005 HMO Publications**

<b>Cumulative distribution: Publications released 10/6/05</b>	<b>10/6/05—12/31/05</b>	
	<b>Paper</b>	<b>Web-based</b>
<b>Measuring the Quality of Maryland HMOs and POS Plans: 2005 Consumer Guide (25,000 printed)</b>	17,331	Visitor sessions = 564
<b>2005 Comprehensive Performance Report: Commercial HMOs &amp; Their POS Plans in Maryland (600 printed)</b>	510	Visitor sessions = 333

## **Final Distribution Total**

### **8<sup>th</sup> Annual Policy Issues Report (2004 Report Series) –**

**Released January 2005; distribution ended January 2006**

<b>Maryland Commercial HMOs &amp; POS Plans: Policy Issues (900 printed)</b>	609	Visitor Sessions: 738
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## **Distribution of Publications**

The slowdown in distribution that began in November continued in December with only 155 copies of the *Guide* being distributed. As noted last month, this is a seasonal occurrence and distribution will spike again in both January and the spring. During January, HMO Quality staff replenishes the stock of *Guides* available in public libraries throughout the state. January is also the month that the *Report to Policy Makers* (formerly the *Policy Issues* report) is released. All legislators, various state contacts, and all Maryland libraries will receive reference copies of this last report in the 2005 HMO performance report series.

## **2006 Performance Reporting: HEDIS Audit and CAHPS Survey**

### **HEDIS Audit Activities**

The 2006 audit season had its formal beginning on December 5<sup>th</sup> in the Commission's offices with the annual "Kick-Off Meeting." This meeting is held for the benefit of plans' HEDIS<sup>®</sup> coordinators, providing them with information that they must have in order to manage the 2006 data collection, reporting process, and audit.

Paul Mertel, Ph.D. of HealthcareData.com, LLC, the HEDIS audit contractor, presented an overview of new and revised HEDIS measures for 2006, MHCC's reporting requirements, new and revised audit requirements, problems that were encountered during the 2005 audit, and the solutions to avoid these problems in 2006. Participants from the plans were given an audit packet that contained key dates, forms, and process instructions. In addition, Dr. Mertel spent considerable time on three audit procedures that HMO Quality staff was instrumental in implementing: transaction file analysis, primary source verification, and test deck analysis. National Committee for Quality Assurance (NCQA) has entered an agreement with HDC piloting the test deck validation process for future expansion to all plans undergoing accreditation or HEDIS review. These audit steps were initially performed in 2005 at the direction of Division staff. Both Division and audit staffs agree that complying with these critical audit steps will lead to higher accuracy in reported rates.

Ms. Sherrelle Kyle of The Myers Group (TMG), the CAHPS survey vendor, discussed the updates to the survey measures, the 2006 survey methodology, and the survey administration timeline during the December kick-off meeting. She also addressed changes that TMG has developed for implementation during the 2006 survey administration to improve upon the steadily declining response rates. One change for the coming survey period is the installation of the latest software product to verify mailing addresses. Another change that has shown positive outcomes for other clients is placing a reminder phone call to members shortly after the mailing of the first survey.

### **CAHPS Survey**

NCQA allows for the addition of up to fifteen supplemental questions to the CAHPS survey. The Commission has always exercised its prerogative to add ten such questions, leaving up to five available to each plan. All supplemental questions have been approved for use by NCQA. Division staff drafted the survey's transmittal letters and follow-up reminders for the mailing that will begin at the end of January.

### **Report Development: 2006 Report for Policy Makers**

Division staff and NCQA, the report's developer, completed the design of the 2006 *Report for Policy Makers*. The printing contract was awarded to Patricia Litho in very late December with a mid-January anticipated delivery date. This report is primarily distributed for use by the General Assembly.

## **HEALTH RESOURCES**

### **Certificate of Need**

Division staff issued six determinations of non-coverage by Certificate of Need (CON) review during December.

Northwest Hospital Center (Baltimore County) received a determination of non-coverage by CON review for a capital expenditure for the construction of a two-story horizontal expansion in front of and connecting to the main hospital, and the relocation of several existing outpatient programs. The project's capital cost of \$6 million did not require CON review because the hospital committed to not seek a rate increase in excess of \$1.5 million for the project during its period of debt service.

The Eye Surgery Center of Ophthalmology Associates, LLC (Baltimore County) also received a determination of non-coverage by CON review for a capital expenditure of \$300,000 for the renovation of its existing freestanding ambulatory surgery facility.

The following facilities (each located in Montgomery County) received determinations of non-coverage for requests to change licensed bed capacity: Layhill Center, for the relicensure of 3 of 20 comprehensive care beds; Sligo Creek Nursing Home, for the relicensure of 5 comprehensive care beds; and Forest Glen Nursing & Rehab Center, for the relicensure of 26 comprehensive care beds.

A determination of non-coverage by CON review was also issued to Congressional Ambulatory Surgery Center of Montgomery County, to establish an ambulatory surgery center with one operating room and one non-sterile procedure room in Rockville.

### **Long Term Care Services**

A Report entitled *An Analysis of Future Need for Nursing Home Beds in Maryland: 2010* was released for comment by the Commission at its November 2005 meeting. Written comments are due to the Commission by January 9, 2006. These comments will be reviewed by staff and considered during the process of updating the nursing home component of the Long Term Care section of the State Health Plan (COMAR 10.24.08).

In the December 23, 2005 issue of the *Maryland Register*, staff published two tables as required under COMAR 10.24.08. One table contains nursing home operating occupancy for fiscal year 2003. This table indicates the jurisdictional and regional data on nursing home occupancy as reported in the recently released publication, *Nursing Home Occupancy Rates and Utilization by Payment Source: Maryland Fiscal Year 2003*. The second table published indicates the percent of total nursing home patient days paid for by the Maryland Medical Assistance Program for fiscal year 2003. This data is provided also by jurisdiction and region and is used for Certificate of Need (CON) review and in developing the Memoranda of Understanding for nursing homes that receive a CON.

On December 19 2005, staff of the Long Term Care Division, along with the Executive Director and the Deputy Directors for Health Resources and Performance and Benefits, met with the Secretary of the Department of Disabilities and her staff. Discussion focused on planning for long term care, both in nursing homes and in the community, and the need for resources for the younger disabled population. The Commission and the Department of Disabilities agreed to work together to plan for long term care needs.

### **Specialized Health Care Services**

At its meeting on December 15, 2005, the Commission granted an interim primary percutaneous coronary intervention (PCI) waiver for the period from January 1 through July 31, 2006, to the following hospitals, which are currently providing primary PCI services for treatment of acute myocardial infarction under the research exemption granted to the Atlantic Cardiovascular Patient Outcomes Research Team (C-PORT) primary angioplasty project: Anne Arundel Medical Center, Baltimore Washington Medical Center, Doctors Community Hospital, Franklin Square Hospital Center, Holy Cross Hospital, Howard County General Hospital, Johns Hopkins Bayview Medical Center, St. Agnes Hospital, Shady Grove Adventist Hospital, Southern Maryland Hospital Center, and Suburban Hospital. The Commission will receive and review applications for a waiver according to the schedule published in the *Maryland Register* on October 28, 2005. Applications from C-PORT hospitals in the Baltimore Metropolitan Regional Service Area are due on January 11, 2006, and for C-PORT hospitals in the Washington Metropolitan Regional Service Area on April 12, 2006.